GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:4193
ANSWERED ON:21.04.2005
OIL EXPLORATION IN RAJASTHAN
Bhargav Shri Girdhari Lal;Bishnoi Shri Jaswant Singh;Kaushal Shri Raghuvir Singh;Meghwal Shri Kailash;Pallani Shamy Shri K.C .;Singh Shri Dushyant

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the exploration and development works of oil and natural gas in Rajasthan are being carried out by Oil and Natural Gas Corporation Ltd. (ONGC), Oil India Limited and M/s Cairn Energy.

(b) if so, the details of expenditure incurred and achievements made during the last three years;

(c) whether the Oil and Natural Gas Corporation Ltd. proposes to set up oil refineries in the country particularly in Rajasthan;

(d) if so, the places indentified and the time by which those are likely to be set up; and

(e) the expenditure likely to be incurred thereon?

Answer

MINISTER OF PETROLEUM AND NATURAL GAS & PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) Yes, Oil and Natural Gas Corporation Ltd.(ONGC), Oil India Ltd.(OIL) and Cairn Energy India Pty Ltd. are carrying out exploration and development activities in the State of Rajasthan.

(b) The details of expenditure incurred by ONGC and OIL are as under:-

(Rs. in crores)

	2001-02	2002-03	2003-04
OIL	7.42	6.50	10.84
ONGC	6.56	8.46	6.46

OIL have established in-place reserve of the order of 9.29 Billion Cubic Metres(BCM) of natural gas and 14.60 MMT of heavy oil. ONGC have also established 3.35 BCM of in-place gas reserves. The gas produced by OIL and ONGC is in the range of 0.75-0.80 Million Metric Standard Cubic Metres Per Day (MMSCMD), which is supplied to the Rajasthan Rajya Vidyut Utpadan Nigam Ltd.(RRVUNL) for power generation.

An expenditure of US $ 174.6 Million had been made by M/s Cairn Energy India Pty. Ltd. and 7 oil and gas discoveries were made during the last three years.

M/s Cairn Energy India Pty Ltd. are carrying out exploration activities in the pre-NELP block RJ-ON-90/1 falling in the State of Rajasthan. Till date, a total of 9 oil and gas discoveries have been made in this block. 4 of the discoveries, namely Mangla, Aishwarya, Saraswati and Rageshwari have been declared as commercial. The remaining 5 discoveries are being appraised by the operator. The in-place reserves are estimated to be 136.34 Million Metric Tonnes(MMT).

(c) to (e) ONGC remains focused in its core activity, namely, exploitation of hydrocarbons in the contry. However, in tune with practice of global oil and gas majors, ONGC have been seeking opportunities for value chain integration and for synergistic value additon to their existing streams of operation.

In view of the special characteristics of Heavy crude found in block RJ-ON-90/1, the joint venture partners, namely, ONGC (30%) and Cairn Energy India Pty Ltd.(70%) are exploring all possibilities of evacuation of crude vis-a-vis setting up a Well Head refinery.

As the field is still under exploration, the location of the proposed refinery and expenditure thereon can only be firmed up after due appraisal of the likely reserves base and completing the detailed feasibility studies for the refinery.